

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2002-199-C - ORDER NO. 2002-595 *✓*

AUGUST 22, 2002

IN RE: Application of T-NETIX Telecommunications Services, Inc. for Approval of Alternative Regulation. ) ORDER GRANTING  
) MODIFIED  
) ALTERNATIVE  
) REGULATION

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application for Alternative Regulation of T-NETIX Telecommunications Services, Inc. (T-NETIX or the Company) for its interexchange business services, consumer card, operator services, and inmate calling services. The Company seeks to have the Commission regulate these services in accordance with the principles and procedures established for relaxed regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

Pursuant to the instructions of the Commission's Executive Director, the Company published a Notice of Filing one time in newspapers of general circulation. No Protests or Petitions to Intervene were filed. Accordingly, T-NETIX requests that the relief requested be granted without a hearing. We waive the hearing.

We have examined the Application, and hold that the relief requested should be granted as filed with regard to interexchange business services, consumer card, and operator services, with one exception as stated below. The request for alternative regulation is a reasonable one, in that this system of regulation of certain interexchange

services has proven to be useful and workable. We deny the request for alternative regulation for inmate calling services. We have never granted such a request for inmate services, which are regulated under a different regulatory arrangement. Basically, inmate calling services are capped at AT&T's rates for interLATA calling and at BellSouth's rates for local and intraLATA calling. We believe that this form of regulation is the most appropriate for T-NETIX, as well as the other inmate calling service providers.

We also note that there is one more exception to our grant of alternative regulation. In Order No. 2001-997 in Docket No. 2000-407-C, rate caps for operator-assisted calls where a consumer uses a local exchange carrier's calling card to complete calls from locations which have not selected that local exchange carrier as their toll provider were re-established. That Order imposed a maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35 related to the flat per-minute rate associated with these calls. We believe that this modification to alternative regulation is appropriate for T-NETIX, as well as other companies governed by alternative regulation. Accordingly, modified alternative regulation is granted as per the discussion above.

This Order shall remain in full force and effect until further Order of the Commission.

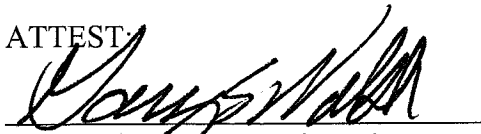
BY ORDER OF THE COMMISSION:



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Mignon L. Clyburn, Chairman

ATTEST:

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Gary E. Walsh, Executive Director  
(SEAL)